

\$12.6 billion and \$112 billion over the next 5 years. Due the Administration's creative accounting and their rosy forecasts for the economy, the reality is that this "increase" is really \$4.1 billion in FY 2000 and \$84 billion over those same 5 years. I applaud the Administration for the increase, but it falls way short of what the military needs. In fact, two weeks ago, the Joint Chiefs of Staff testified before the House Armed Services Committee, under the questioning of my Chairman of Procurement, DUNCAN HUNTER, about what they will need in budget authority this year to fund their requests at the bare minimum. The total came to \$20 billion. Even assuming the Administration's funding projections were accurate, that would still leave the military \$8 billion short of what they require. Maybe the Administration could have displayed their commitment to the armed forces by coming up with the extra \$8 billion.

What we need to do is make a real commitment to the men and women of the Armed Services. We need to get back to what this country, this body, our President, was chartered to do: to provide for the national defense. I, also, want to save Social Security, reform Medicare, enhance education, but I also want to get our men and women in the armed services good health care, modern equipment, time with their families and decent pay and retirement. But more importantly than that, I want this nation to make a solid commitment to the defense of this country with a domestic missile system. So our people will know that if, and I pray to God that this will never happen, a rogue nation were to fire a missile onto this country, we will have the defenses to protect our citizenry.

Unfortunately, Mr. Speaker, the Administration's budget proposal does not go far enough to meet those goals.

NO U.S. MILITARY BASES IN AZERBAIJAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I rise today to draw the attention of the Members of this House and the American people to a potentially alarming development in our foreign policy. As was reported in this Sunday's New York Times, the Republic of Azerbaijan has made what the newspaper called a startling offer. It wants the United States to open a military base there. The article notes that American oil companies have invested billions of dollars in Azerbaijan, and the New York Times also makes a particularly relevant point that such a partnership might draw the United States into alliances with undemocratic governments.

This story has also been picked up by Reuters and the Journal of Commerce, among other media outlets, and while the State Department and Defense Department denied plans to construct a military base in Azerbaijan or to move an existing facility from the Republic of Turkey into Azerbaijan, unnamed

U.S. officials were mentioned in press accounts as not ruling out the need for an undefined arrangement to ensure the security of a future pipeline to deliver oil from the Caspian Sea to the Turkish oil depot at Ceyhan.

Mr. Speaker, I cannot imagine a worse idea. While I strongly support new approaches to U.S. international engagement in the post-cold war world, this proposal would not advance U.S. interests or American values. The only justification for this proposal is to make U.S. foreign policy and our military forces a tool for protecting a new and, I would say, unproven supply of oil, and to try to placate the two countries that are deemed essential to the extraction and delivery of those oil supplies; that is, Turkey and Azerbaijan, two countries, I might add, with terrible records in terms of democracy and human rights.

Mr. Speaker, for some time now I have been critical of what I view as the administration's apparent determination to see the pipeline from Baku to Ceyhan constructed. Ironically, the oil companies themselves are balking at this arrangement. The proposed pipeline is too long and costly, particularly as oil prices continue to drop. One major international consortium led by the American firm, Pennzoil, has announced that it will terminate its test drilling operations in the Caspian near Baku after finding only half the volume of oil and gas necessary to assure profitable exploitation. Today the Wall Street Journal reports that another group led by Amoco and British Petroleum is cutting personnel and deferring development on Caspian oil exploitation due to disappointing test results and declining oil prices.

It is becoming apparent that the new pipeline proposal lacks commercial viability. It is a boondoggle whose only purpose is to placate the demands of Turkey and Azerbaijan, to give those two countries the power and prestige of controlling what some see as an important source of energy resources. And now apparently Azerbaijan craves the further benefits of a U.S. military commitment, and some unnamed U.S. officials are apparently toying with this idea.

Mr. Speaker, this week I will be circulating a letter among my colleagues asking them to join me in making it clear to President Clinton, Secretary of State Albright and Secretary of Defense Cohen that we consider a U.S. military presence or commitment in Azerbaijan unacceptable.

And yes, Mr. Speaker, the administration is right to identify the Caucasus region as an important American interest, but it is wrong to make oil the major, not only the only basis for our engagement in that region, and I hope we can stop this train before it leaves the station.

Mr. Speaker, I enter the rest of the statement as an extension of my remarks.

Mr. Speaker, I rise today to draw the attention of the Members of this House and the American people to a potentially alarming development in our foreign policy. As was reported in this Sunday's New York Times, the Republic of Azerbaijan has made what the newspaper called a "startling offer—it wants the United States to open a military base there." The article notes that American oil companies have invested billions of dollars in that country. The New York Times also makes a particularly relevant point: such a partnership "might draw the United States into alliances with undemocratic governments."

This story has also been picked up by Reuters and the Journal of Commerce, among other media outlets. While the State Department and the Defense Department denied plans to construct a military base in Azerbaijan, or to move an existing facility from the Republic of Turkey into Azerbaijan, unnamed U.S. officials were mentioned in press accounts as not ruling out the need for an undefined arrangement to insure the security of a future pipeline to deliver oil from the Caspian Sea basin to the Turkish oil depot at Ceyhan.

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Mr. Speaker, many Americans may wonder why Azerbaijan, a formerly obscure republic of the former Soviet Union, is the subject of such intense interest. The answer, in a word, is oil. To Azerbaijan's west lies the Caspian Sea, an inland sea or salt lake (and the exact designation is the subject of a debate with important ramifications about who controls its resources) which some have claimed contains vast reserves of oil and natural gas. American and other western oil companies have a keen interest in developing these reserves—which, I emphasize, Mr. Speaker, remain unproven reserves. Oil companies have spent billions of dollars on this effort, and have sent in thousands of their employees to Baku, the capital of Azerbaijan.

Unfortunately, it is beginning to appear that America's policy in the region is being driven primarily by the desire to extract these unproven petroleum reserves. We have seen Azerbaijan's autocratic President, Heydar Aliyev, wine and dine at the White House, Capitol Hill and elsewhere in Washington. (The term "autocratic" is the New York Times's word, not mine.) The U.S. response to the lack of democracy, free expression and basic human and civil rights under President Aliyev—who seized power in a coup—has been muted at best. There have been efforts over the past few years under the Foreign Operations Appropriations legislation to reward

Mr. Aliyev, and the oil companies, with political risk insurance and other subsidies, courtesy of the American taxpayer. Now, I'm afraid we could see that policy come to its logical conclusion with the placement of U.S. military forces in Azerbaijan. We must stop this proposal before it advances beyond the planning stages.

For some time now, Mr. Speaker, I have been critical of what I view as the Administration's apparent determination to see the pipeline from Baku to Ceyhan constructed. Ironically, the oil companies themselves are balking at this arrangement. The proposed pipeline is too long and costly, particularly as oil prices continue to drop. One major international consortium, led by the American firm Pennzoil, has announced that it will terminate its test drilling operations in the Caspian near Baku after finding only half the volume of oil and gas necessary to ensure profitable exploitation. Today, the Wall Street Journal reports that another group, led by Amoco and British Petroleum, is cutting personnel and deferring development on Caspian oil exploitation due to disappointing test results and declining oil prices. It is becoming apparent that the new pipeline proposal lacks commercial viability. It is a boondoggle whose only purpose is to placate the demands of Turkey and Azerbaijan, to give these two countries the power and prestige of controlling what some see as an important source of energy resources. Now, apparently, Azerbaijan craves the further benefits of a U.S. military commitment, and some "unnamed" U.S. officials are apparently toying with the idea.

Mr. Speaker, this week, I will be circulating a letter among my colleagues asking them to join me in making it clear to President Clinton, Secretary of State Albright and Secretary of Defense Cohen that we consider a U.S. military presence or commitment in Azerbaijan unacceptable.

Yes. Mr. Speaker, the Administration is right to identify the Caucasus region as an important American interest. But it is wrong to make oil the major, let only the only, basis for our engagement in that region. I hope we can stop this train before it leaves the station. Then we need to focus on a Caucasus policy based on economic development, the promotion of democracy and human rights, self-determination, and the resolution of territorial and other conflicts through negotiation.

CHINA POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. ROHRABACHER) is recognized for 60 minutes.

Mr. ROHRABACHER. Mr. Speaker, this is an appropriate evening for me to be presenting what I have to say, whereas we have just heard about the changes in American defense that have taken place, some alarming changes that have taken place over these last 10 years, and in fact since 1985 there has been a dramatic decline in America's military power. At the same time, while America has been permitting its own military power to go astray or to be in decline, there have been noises

being heard from across the pond, from across the Pacific Ocean, and those noises, unfortunately, are not the sound of a peaceful neighbor, but instead the sound of a neighbor that seems to be, instead of decreasing its military power and concentrating on peace and prosperity, instead seems to be the sound of a neighbor that is building a massively repressive military regime that threatens the United States and threatens our security, especially when we are considering the fact that America is no longer the military power it once was.

After 10 years in Congress, I find myself to be a senior member on two very powerful committees, the Committee on Science where I am the chairman of the Subcommittee on Space Aeronautics, and the Committee on International Relations where I sit on both the committee dealing with export policy as well as the subcommittee dealing with Asian policy. Thus, I find myself playing a major role in the trade and technology transfer issues concerning communist China. I would like to focus on China policy this evening, and I thought that an appropriate lead-in was something that just happened to me recently in my own congressional district.

It was only a short while ago that I received a call in my office that the local Chamber of Commerce, with the support of the local city government, was planning to have a lunch co-hosted by the city and the Chamber of Commerce honoring the Consul General of the People's Republic of China, and I was asked whether or not I would be willing to present a certificate or a key to the city or some kind of greeting to this representative of the communist Chinese regime. And I felt at that time that even in my own congressional district at the time, with all the time and effort that I have put in to describing what is going on in Asia, even the people in my own congressional district did not understand the magnitude of the threat posed by this vicious dictatorship on the mainland of China.

In fact, I was called by Mayor Green when I expressed my disapproval of this luncheon honoring this representative of the Communist Chinese government. Mayor Green of Huntington Beach asked me, well, what is your opposition all about, and after I explained it to him, he understood why I was opposing this, and he said: But how should we treat officials from the communist Chinese government? I mean, after all, they are a government. How should we react to this? How should we act towards them, if not having this type of luncheon?

And I said, Mayor, you should treat the representatives of the Chinese communist government the same way that you would treat a representative of Adolf Hitler's Nazi regime in 1938. And if you would feel comfortable having a

Nazi representing Adolf Hitler as a guest of honor, being honored by your city and Chamber of Commerce back in 1938, if you thought that would be an appropriate thing, well, then you would feel that it was appropriate that that is the way we honor a representative today of the world's worst human rights abuser, the communist regime in Beijing.

Well, that luncheon was canceled, and I am very grateful that the members of the local city government and Chamber of Commerce listened to what I had to say because I am sure that the communist Chinese would have used it as a propaganda tool to say that, see, even the American people in Congressman ROHRABACHER's own district do not go along with him.

Well, as soon as they knew the facts, the people of my district were very quick to respond, and I think what is vitally important is for the American people to know the facts; for them to know, number one, that we are not the same powerful military force that we were 10-15 years ago and that, number two, that there is a growing threat to world peace and a growing threat to our own national security on the other side of the Pacific.

During the Reagan years I worked as a speech writer while President Reagan was President, and I worked for him for 7 years, and during that time period I remember when he went to China. In fact, I remember working on his speech in which we offered American know-how to the Chinese if they would agree to have their goals as being peace and liberalization of their country. And at that time that made sense, and in fact President Reagan's approach was a positive approach, as Ronald Reagan was known, and it was something to try to give them the incentive to go in the right direction. When I say "they" I am referring to the leadership of the Communist Party that controls the government of China.

During that time period when I worked at the White House, a young Chinese exchange student walked into my office, and what was fascinating, that it was on a Saturday, and I was working there on Saturday afternoon, and almost no one was in the Executive Office Building. By the way, the Executive Office Building is that building right next to the White House where the President's top national security and economic advisers and policy advisers work. When most people say they work in the White House, they really work right next door in the Old Executive Office Building.

So the most sensitive area of our government, there a Chinese student walked in unaccompanied and just walked right into my office as I was working on his speech, and he explained to me that he had met one of the researchers in my department and that she had invited him to lunch and